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ABSTRACT

This article discusses several theories of management for motivating employees and applies these theories to educational administration. Since all of the cited theories are concerned with motivating people through their personal needs, ideas may be applicable to education as well as industry. (Author/MLF)

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PERFORMANCE INCENTIVES IN PERSONNEL ADMINISTRATION

Recently the institution of education in America has paralleled the industrial world with its unions, strikes, collective bargaining, and salary or benefit demands. The school administrator finds himself in the middle of "management-labor" type disputes, while attempting to operate an efficient program and maintain sound interpersonal relations with faculty. Under such stressful conditions staff motivation may be a problem for a principal.

This article discusses several theories of management for motivating employees and applies these theories to educational administration. School administrators then must determine which theories are applicable to their individual situations.

Satisfied teachers are frequently more productive than dissatisfied educators. Job satisfaction has been found to be inversely related to frequent employee absenteeism and resignation.[1] Herzberg, Mausner and Synder[2] concluded that job satisfaction and dissatisfaction are caused by different factors. Conditions which increase job satisfaction may be called "motivators" and include.

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[1]Morton Spitzer, "Goal Attainment, Job Satisfaction, and Behavior", Dissertation Abstracts. (New York: New York University, 1964). Vol. 25, Sept. 1964, pg. 2037.

[2]Frederick Herzberg, Bernard Mausner, Barbara Synderman, The Motivation to Work, 2nd Edition, (New York: John Wiley and Sons, 1959). pg. 113-132.

intrinsic variables such as recognition, advancement, achievement, responsibility, and the work itself. Without these conditions job satisfaction is not produced. On the other hand, extrinsic factors would include salary, fringe benefits, policies, job security or tenure, the administrator's competency and supervision, interpersonal relations and working conditions. The presence of these factors does not increase job satisfaction. This theory contradicts the premise that a teacher on continuing contract with a salary acceptable to him should be extrinsically content, and consequently intrinsically motivated. Herzberg's views corresponded with the Hawthorne studies which found that personal interest shown by administrators had a positive effect on worker output.

The educational application of Herzberg's motivational theory for educational administrators is threefold. First, the employee needs academic freedom or sufficient control over his job to realize achievement. Secondly, the administrator must recognize and reward good performance, maintain optimal relations with his faculty and distribute responsibilities so all subordinates can realize success. Thirdly, in delegating responsibilities the employee's abilities should be matched with the job.

Wernimont[3] claims that either extrinsic or intrinsic factors

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[3]Paul Wernimont, "Intrinsic and Extrinsic Factors In Job Satisfaction", Journal of Applied Psychology, (1966). Vol. 52, No. 6, Pg. 469.

can cause both satisfaction and dissatisfaction on a job. He agrees that intrinsic factors are important determinants of job satisfaction, but disagrees with Herzberg, et al, on the issue of extrinsic factors contributing mostly to dissatisfaction. For example, the extrinsic factor of a good relationship between employer and employee was found to be the top contributor to job satisfaction.

House and Wahba[4] suggested that management practices which are intended to provide intrinsic satisfactions are more powerful than extrinsic rewards. The only extrinsic reward found to be related to performance was pay. However, the administrator has no assurance that increased pay will promote grater teacher satisfaction in all situations. This may be explained, at least in part, by Maslow's [5] needs approach. According to this theory, satisfied needs are no longer motivators. When an individual's basic needs are met, he moves up the "hierarchy of goals" and is motivated by needs for esteem or self-actualization. Nevertheless, money remains an incentive until the employee feels his basic financial needs are satisfied.

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[4]Henry Tossi, Robert House, Marvin Dunnette, Managerial Motivation and Compensation (Michigan: MSU Business Studies, 1972). Pg. 263.

[5]Ibid, Pg. 46

Numerous other theories support the assumption that although the school administrator may have little control over teachers' salaries, job behavior of employees may be affected by pay. Skinner[6] considers money a conditional reinforcer, and Brown[7] suggests money reduces anxiety related to the absence of funds. Individual differences were considered by Atkinson[8] in his claim that offering an employee more money for output may motivate him toward higher goals, contingent on his particular monetary desires. Furthermore, others contend that individuals not self-motivated will perform better when rewards are dependent on high performance, while intrinsically motivated high achievers are not greatly influenced by increased monetary rewards.[9]

In industry, incentive pay systems based on work output have resulted in greater output than have straight payment plans. Porter and Lawler[10] rationalized that high performance results in high rewards, which in turn result in high satisfaction. Green's[11] field study findings further support the premise that merit pay

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[6]B.F. Skinner, Science and Human Behavior, (New York: Macmillan and Co., 1953). Pg. 25.

[7]J.S. Brown, The Motivation of Behavior, (New York: McGraw and Hill, 1961). Pg. 48.

[8]Tossi, Op. Cit. Pg. 121.

[9]Tossi, Op. Cit. Pg. 211.

[10]L.W. Porter, E.E. Lawler, Managerial Attitudes and Performance. (Homewood, Illinois: Richard Irwin, Co., 1968). Pg. 30.

[11]Charles Greene, "Causal Connections Among Manager's Merit Pay, Job Satisfaction and Performance", Journal of Applied Psychology, (1973), Vol. 58, Pg. 95.

elicits satisfaction. Such pay systems are not without their problems for administrators. The associated demand for frequent, definitive evaluations involve determining measurable competency levels of teacher performance, and an equitable, systematic means of appraising competencies and contributions. Many administrators may dislike this additional responsibility and pressure of determining salaries. Some may consider themselves unprepared, overly lenient, or overly strict in their appraisals compared to other administrators in the system.

When utilized in industry, wage incentive plans were found to actually restrict output in several instances. Work groups informally set norms for individual output in several instances. Work groups informally set norms for individual output and discouraged individuals from exceeding the production norm.[12] If the phenomenon were true in education many important, voluntary services of the teacher to the school and pupil would suffer, including sponsorships and after hours conferences. Bernard Bass[13] claims the success of incentive plans depends on several factors, among which are:

1. The nature of the task (Incentives are least

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[12] Tossi, Op.Cit. Pg. 211.

[13] Bernard Bass, Organizational Psychology, (Boston: Allyn and Bacon, 1965). Pg. 81.

effective when work interest is already high).

2. Trust of fair treatment between employees and management.
3. Feedback (Employees know what is necessary for rewards).
4. Work group standard settings.

Studies related to equity in pay have shown that justice in salaries is relevant to the issue of how salary affects pay satisfaction. A person's expectations are based on a comparison of his pay to others.[14]

According to M. Scott Myers[15], job performances depends on fulfillment of both motivation needs (responsibility, achievement and growth) and maintenance needs (social, physical, economical, status...and security).

Vroom[16] suggests five satisfying outcomes of work, each of which could be considered incentives for different people:

1. Financial reward
2. Energy expenditure
3. Production of goods and services
4. Social interaction
5. Social Status

In support of the last two outcomes, his findings revealed that performance is better if the worker feels his task requires

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[14]Tossi, Op. Cit. Pg. 286.

[15]Tossi, Op. Cit. Pg. 48.

[16]Victor Vroom, Work and Motivation. (New York: John Wiley and Sons, 1964). Pg. 43, 267.

requires valued abilities. In addition, workers perform better when given feedback on performance. From such findings one could infer that administrators should be aware of the role and accomplishments of each teacher, and should conduct personal conferences periodically to recognize performance and offer praise when deserved.

Vroom[17] also contended that employees who participate in decision-making perform at a higher level than those deprived of the opportunity. Administrators advocating this theory would allow employees a recognized role in the decision-making process and would provide group planning opportunities, when applicable. Other theories support the assumption that job involvement leads to job satisfaction. Katz and Kahn[18] stated that only involved employees indicate a positive relationship between satisfaction and performance. Bass[19] views job involvement will increase with decision-making opportunities, recognition, feelings of contribution, achievement, and freedom to pace oneself.

Hall and Nougaim[20] found that with greater achievement and esteem satisfaction, people became more involved in their jobs.

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[17]Ibid, Pg. 267.

[18]Peter Weissenbery, Leopold Gruenfeld, "Relationship Between Job Satisfaction and Job Involvement", Journal of Applied Psychology,(1968). Vol. 52, No. 6, Pg. 471.

[19]Ibid, Pg. 469.

[20]Tossi, Op. Cit. Pg. 240.

The possibility that a relationship exists between an administrator's ability to clearly define roles and recognize success, and his ability to motivate a faculty is corroborated by Lock's [21] theory. Lock inferred that when goals are reasonably set with clearly identified tasks and rewards are offered for the attainment of such goals, effort can be induced.

With the advent of the "human relations movement", industry began to recognize man's ego, social needs and job factors as work motivators. As a result, in the last fifty years fringe benefits have been a popular means of rewarding employees. Such industrial benefits includes bonuses for increased production or cost-cutting, profit-sharing, deferred incentive compensation deposited in retirement accounts, pensions, company paid insurance, paid vacations, free medical attention, scholarships for children, and tuition refunds.[22] As non-profit organizations, school systems are restricted in offering many of these. However, others feasibly could be provided through boards of education and administered within the local schools.

A good working rapport and the ability to communicate with individuals are vital to the administrator in performance appraisal and goal setting for the organization and the teacher. The trend toward performance-based assessments in industry and education is not a new concept. McGregor[23] suggested the objective-focused approach in 1957. In this approach the sub-

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[21] Tossi, Op. Cit. Pg. 240.

[22] Tossi, Op.Cit. Pg. 317.

[23] Douglas McGregor, "An Uneasy Look at Performance Appraised", Howard Business Review, Vol. 35, (May-June 1957). Pg. 89

ordinate sets goals and plans for accomplishment these plans are then related to the organizations's goals through constructive discussions with the superior. At the end of the designated period of time, the subordinate appraises himself on the basis of goal accomplishment, examines his appraisal with his superior, and sets new goals for the next period. The superior maintains his veto over plans and appraisal, but this is rarely necessary. The approach is future oriented, flexible and compares employees to their own goals.[24] Today, whether labeled "management by objectives" or education's comparable term of "competency-based", this system is intended to motivate employees through decision-making about their own goals, and to provide opportunities for self-fulfillment, responsibility and recognition. The administrator must base his judgements on sufficient observations and budget time for individual conferences. Frequently, peer and student appraisals may be used as a basis for competency or improvement discussions.

These are but a few of many theories of motivation which deserve consideration by school administrators, who are concerned with maintaining or building a higher morale among teachers.

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[24]Paul Thompson, Gene Dalton, "Performance Appraisal: Managers Beware", Motivation and Control in Organizations, (Illinois: Dorsey Press, 1971). Pg. 412.

Since all of the cited theories are concerned with motivating people through their personal needs, the ideas may be applicable to education as well as industry.